GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3440
ANSWERED ON:20.08.2004
POLICY TO SET UP NEW INDUSTRIES
Gao Shri Tapir

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has formulated any specific policy for establishing new industries in the States during the 10th plan under the Liberalization Policy ;

(b) if so, the details with respect to each state; and

(c) the details of amount allotted, sanctioned, released and actually utilized by the Government for setting up of industries in these States so far?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a) Establishment of industries in a State is primarily the responsibility of the State Government and the Central Government only supplements their efforts for the development of industries. Under the liberalised industrial policies, investment in the industrial sector depends upon the commercial judgement of the entrepreneurs.

(b) The Central Government has announced the following special packages of economic incentives for some special category States namely Assam, Meghalaya, Manipur, Mizoram, Nagaland, Arunachal Pradesh, Tripura, Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttranchal, which are located in hilly, remote and inaccessible areas:-

(i) North-East Industrial Policy (NEIP) was announced on 24.12.1997 for promoting industrialization in the North-Eastern region. Under this Policy, various concessions have been allowed to industrial units in the North Eastern Region, which include development of industrial infrastructure, excise and income-tax exemption and Subsidy Schemes like Central Capital Investment Subsidy, Central Interest Subsidy, and Central Comprehensive Insurance Scheme.

(ii) New Industrial Policy and other concessions for the State of Sikkim was announced on 23.12.2002 by the Government on the lines of NEIP.

(iii) New Industrial Policy & other concessions for Jammu & Kashmir was announced on 14.6.2002. As in the case of NEIP, similar packages of various concessions have been allowed to industrial units.

(iv) New Industrial Policy & other concessions for Himachal Pradesh and Uttaranchal was issued on 7.01.2003. Under this policy, various concessions have been allowed to industrial units, which include development of industrial infrastructure, excise and income-tax exemption and Central Capital Investment Subsidy.

(c) The budgetary details in respect of the above packages is at Annexure.

ANNEXURE

Annexure referred to in reply to Lok Sabha Unstarred Question No.3440 for answer on 20.8.2004.

(Rs.in crore)

Name of the Package	Tenth Plan (2002-07) Approved Outlay	2002-03 Budget Allocation	2002-03 Actual Expenditure	2003-04 Budget Allocation	2003-04 Actual Expenditure
1. Lump-sum-Provision	200.00	28.00	28.00	28.00	28.00

for NER & Sikkim					
2. Package for Special Category States (for the States of J&K, H.P. & Uttaranchal)	11.00	5.00	5.00	45.00	45.00